



STATE OF DELAWARE

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MEMORANDUM

TO: The Chair and Commissioners

FROM: Lisa B. Driggins, Public Utilities Analyst

DATE: December 20, 2017

SUBJECT: IN THE MATTER OF THE APPLICATION OF TIME CLOCK SOLUTIONS, LLC FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO OPERATE AS A RESELLER OF TELECOMMUNICATIONS SERVICES AND APPROVAL OF AN INTRALATA TOLL DIALING PLAN (SUBMITTED NOVEMBER 3, 2017; FILED DECEMBER 13, 2017) - PSC DOCKET NO. 17-1133

Background

On November 3, 2017, Time Clock Solutions, LLC ("Time Clock" or the "Company") filed an application (the "Application") with the Delaware Public Service Commission ("Commission") for a Certificate of Public Convenience and Necessity ("CPCN") as a reseller of telecommunications services and approval of an intralata toll dialing plan. The Delaware Public Service Commission Staff ("Staff") has reviewed the Application to determine its compliance with Delaware Law and the Rules and Regulations promulgated in 26 *Del. Admin. C.* §4001.

Application

The Company's original filing was submitted on November 3, 2017, but the submitted Application did not meet the minimum filing requirements ("MFR's"). Staff requested the Company file the following additional documentation: a) a copy of the Delaware business license, b) a copy of the Delaware Certificate of Good Standing, and c) proof of publication of the public notice in at least one (1) newspaper of general circulation, d) a signed, sworn verification for any subsequent filings in support of the Application.

Financial, Operational, Managerial and Technical Ability

The Company provided proof issued by the Delaware Secretary of State and the Delaware Division of Revenue that it is legally authorized and qualified to do business in the State of Delaware. To demonstrate its financial capability, Time Clock provided to Staff

Company officer verified consolidated financial statements, reflecting its financial status as of December 31, 2016. The Company provided the contact information for a Delaware Registered Agent listed in the Application as InCorp Services, Wilmington, DE.

The Company anticipates serving customers in the entire State of Delaware in the areas served by Verizon as permitted by law and Commission Order. The Company proposes to offer resold local exchange services, and local services utilizing unbundled network elements (UNE) or the equivalents thereof, obtained through commercial agreement and/or interconnection agreements with Verizon. Such services will be provided by utilizing the facilities incumbent local exchange carriers (“LECs”) and/or other facilities-based carriers. The company has no plans to install facilities in the State of Delaware. Time Clock intends to provide all forms of intrastate interexchange and local exchange telecommunications services. The Applicant is not currently certified in any State. The Applicant is in the process of registering to provide interexchange and resold local exchange service nationwide.

To demonstrate its technical and operational capabilities, the Company provided Staff with detailed management biographies the Company’s senior management and directors along with a description of the Company’s technical expertise.

Pursuant to 26 *Del. Admin. C.* §4001-4.3, a copy of the Application was provided to the Division of the Public Advocate, through the Commission’s electronic filing system DelaFile, and public notice of the Application was published in the News Journal newspaper on November 21, 2017. Staff reports that it received no formal comments or objections to the Company’s Application for a CPCN.

Tariff

The Company did not provide initial tariff sheets or price sheets as required in 26 *Del. Admin. C.* §4001-4.5.1 as they do not provide switched access service which is the only service required to comply with this section.

Waiver

As part of its Application, the Company requested a waiver of the provisions of 26 *Del. C.* §208(b) so that it may maintain its books and records relating to its Delaware operations outside of the State of Delaware. Staff believes that the waiver request to maintain the Company’s books and records outside of Delaware is reasonable and Staff recommends that the Commission grant the waiver.

In the Application the applicant asserts they will secure an interconnection agreement as necessary to provide the proposed services detailed in its Application. Staff has informed the Company that before starting any business in the state, the Applicant will be required to file an interconnection agreement with the Commission.

Staff Recommendation

Based on Staff’s review and analysis, the Company has shown that it has the financial, operational, and technical means to provide telecommunications services in Delaware.

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Therefore, Staff recommends that the Commission grant Time Clock a CPCN to provide local exchange telecommunication services the State of Delaware.